

Irish Examiner ICMMSA farming survey

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Farmers at a crossroads

A snapshot of farming ahead of the end of milk quotas
and the CAP reform



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findings

Irish society is at a crossroads: where farmers stand

Dairy farming is the bright spot in 2014, says Larry Ryan, Director, of the Behaviour & Attitudes market research company, which carried out the 2014 Irish Examiner ICMSA Farming Survey



2014 Irish Examiner ICMSA Farming Survey

The 2014 *Irish Examiner* ICMSA Farming Survey provides a fascinating snapshot of the opinions and attitudes of farmers at a time when much of Irish society is at a virtual crossroads.

Nationally, we see the economy starting to recover, and consumer confidence beginning to climb again. However, there is a sharp contrast in the attitudes and opinions of those who live in cities and towns, as distinct from those living in more rural environments. The latter group has yet to recognise any substantial dividend from the return to economic growth.

The survey has a number of key signals: uncertainty in the beef sector, optimism in dairy,

issues around financial planning and solidity, and interesting shifts in political, social and law and order issues.

Uncertainty in Beef

The inaugural 2013 Irish Examiner ICMSA Farming Survey illustrated that farmers had been particularly positive, and their perspective was in sharp contrast with much of the rest of society.

However, the 2014 edition of the poll sees slightly less certainty than before, with stark evidence that those whose livelihoods derive from livestock and cattle are subject to a very different set of influences when compared with the rest of the sector. The vast majority of farmers remain

optimistic about the future, but there has been a significant reduction in optimism, which has been driven entirely by farmers in two sectors, livestock and tillage.

In reality, the perspective of those involved in dairying has improved, with almost all optimistic about the future of farming and a similar number optimistic about the prospects of their own particular sector. By contrast, just 61% of farmers involved in beef production are optimistic, and only 53% of them about the future of their own sector. The perceived prospects in tillage have also fallen back. If anything, the study illustrates the wide variability in fortunes by sector year-on-year, and the relative precariousness of farming at these events.

Optimism in Dairy

Otherwise, only a third of beef farmers indicate that they feel the future of beef farming is secure, while almost half are pessimistic. Indeed, focusing in on perspectives within the sector, we see an even more starkly delineated picture, with three in ten positive and 51% negative. When asked to indicate what they believe might help to boost or transform the sector, there is almost universal agreement that the priority must be on increasing live cattle exports. It would seem important that political will and that of the farming organisations would mobilise behind this near universally supported agenda.

Within the dairy sector, almost half of farmers believe that their milk output will grow by somewhere between 10% and 30% by 2015. A further 15% suggest that their output will grow by more than 30%. Only a third of dairy farmers feel that their production will stand still and not increase. Despite this broad scale positivity about the cat-

egory, just 6% of non-dairy farmers believe that they might be attracted into the dairy sector as a result of the abolition of quotas in 2015. Perhaps, as that event draws closer, more farmers will be tempted to jump on the dairy bandwagon?

Financial Planning and Solidity

The *Irish Examiner* ICMSA farming poll is undertaken as a random survey at agricultural shows (and the Irish Holstein Friesian Association national open day) and, as such, presents a valid and representative snapshot of the structure of the farming community (at least in as much as it is represented by attendance at these events).

In comparison with last year, we see that the average size of farm holdings represented has risen, up to 118 acres from 108 last year, and holdings in terms of number of livestock have also grown,

“Only a third of beef farmers feel the future of beef farming is secure, while almost half are pessimistic”

from 86 to 90. Otherwise, the sample was heavily oriented towards what the Central Statistics Office classifies as F50+, essentially larger farmers, rather than F50- (smaller farmers, or farm workers). In 2013, almost a fifth of the



Some of the attendance at this week's National Ploughing Championships in Ratheniska, Co Laois: a sharp contrast in attitudes and opinions from town to country is revealed in the Irish Examiner ICMSA farming survey.

sample were smaller holders, but this year it has reduced to one in eight. Despite this slight shift in probable prosperity, we see that half of farmers now have some form of off-farm income, with a quarter (28%) personally working in a second job away from the farm. A similar number have a spouse that works off-farm.

Some 82% of farmers interviewed indicated that they derive at least some income from the single farm payment and, for the vast majority of these, (45% of farmers) it is their secondary source of income. Just less than two in three farmers (63%) indicate that farming constitutes their greatest source of income. Four in ten have some form of off-farm work or investment, and one in eight is in receipt of payments from social welfare.

As seen last year, slightly more than a third of all farmers would like to buy or rent in land, although in reality a lower proportion (this year 28%) anticipate that this is likely to occur. This 28% represents a slight growth from the 25% in 2014. It should be no surprise that those who are keen to expand their holdings are involved in dairying, with 39% of them intending to acquire land and as many as 45% hoping that they would be able to do so.

The study also illustrates a slightly worrying facet of farmers' financial planning.

Just a third have some form of private pension, with the vast majority hoping that they can rely on the asset value or output of their farms for income as they age. Perhaps encouragingly, younger farmers are somewhat more progressive, with more of them — but still less than a majority — having taken on a private pension at this stage.

Politics

Farmers' political perspectives remain interesting, and while agricultural policies are cited as a key priority for them, it is no surprise to see their interest in so many other categories growing in the current climate, as well.

There is much greater farmer focus now on issues such as austerity, unemployment and the cost of living, but the greatest shift in the survey is in respect of the prioritisation of healthcare costs as a political issue.

This has grown from being a concern for 27%, up to as many as 43% of farmers in 2014. This occurs as we see a continuing fall off in the holding of private health insurance. The second largest increase in the survey relates to the prioritisation of crime, law and order and vandalism as a political issue, having grown by 12 percentage points to 34% in 2014.

Fewer farmers are undecided politically in 2014 than had been the case last year.

Irish Examiner ICMSA farming survey

The Irish Examiner ICMSA farming survey was designed to provide a robust and accurate snapshot of the attitudes, beliefs and opinions of the farming community about a range of issues, both farming and social. The survey involved 582 interviews with farm dwelling adults in the Republic of Ireland.

Fieldwork was completed by Behaviour & Attitudes over a five week period between July 6 and August 17, with interviewing undertaken on-site by Behaviour & Attitudes interviewers across seven agricultural shows.

The sample size is large and the data has a statistical margin of error of +/-3.5%.

The sampling approach involves a random probability method, with interviews being undertaken with attendees provided they worked and/or lived on a farm. 465 interviews were with farmers themselves and the balance mainly with spouses who also work on the family farm.

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Irish Examiner



Dairy farmers remain upbeat

Ray Ryan

DAIRY farmers are optimistic about their future as they prepare for the abolition of milk quotas in 2015.

But non-dairy farmers have surprisingly shown limited interest in switching to milk, despite predictions that milk output is predicted to jump over the next six years.

The *Irish Examiner* ICMSA farming survey shows that 92% of the 391 non-dairy farmers interviewed would not consider changing to milking cows.

Only 6% of tillage and livestock farmers say they will be enticed into dairying after the abolition of EU milk quotas next April.

That reluctance to switch enterprises may reflect a traditional caution among farmers about dramatic change.

It is also significant when viewed against other *Irish Examiner* ICMSA farming surveys, which found that optimism among livestock and cattle farmers has fallen significantly.

Last year, 80% of beef farmers interviewed for the survey said that they were optimistic about their own sector.

But in this year's poll, that has fallen by a whopping 27%, slumping to 53%, a reflection of the fall in cattle prices and allied issues in the beef sector.

There is also a big drop in the optimism of tillage farmers — it has fallen by 21%, from 87% to 66% in 2014.

However, 84% of the 184 dairy farmers queried are upbeat about their sector, and 39% would like to buy or rent land.

The overall optimism of dairy farmers about the future of farming increased by 3%, to 86%, compared with the poll conducted in 2013.

But the corresponding levels for livestock-cattle farmers (61%), tillage (68%) and others (63%) were all down.

The biggest reduction was 18%, among livestock and cattle farmers, followed by 16% in tillage, and 5% for other farming enterprises.

Dairy farmers remain the most optimistic about the future of farming and the future of their own sector.

They have also replaced tillage farmers as the cohort who would most like to increase the size of their farms.

Those in the 35-to-54 age bracket are the most likely to want to expand their farms.

With the abolition of quotas, two thirds of the farmers interviewed believe milk output will increase.

Almost half (48%) indicated it will grow by between 10% and 30%, while 15% believe it will rise by an amount greater than 30%.

One in three farmers does not anticipate changing their milk output.

The proportion nominating Fine Gael as their first choice in the event of an election is almost unchanged at 36%, but there has been tangible growth in support for Fianna Fáil from 18% to 23%. The same is true for Sinn Féin, doubling its farmers' support, from 4% to 9%.

Over the same period, likely support of Independents and Others has also doubled, from 4% to 8%. Support for Labour languishes in the doldrums.

Enda Kenny remains the preferred choice for Taoiseach by almost half of all farmers (47%), followed by Micheál Martin with one third support (at 34%), vastly outstripping the claimed support for Fianna Fáil (at 23%). Gerry Adams (at 13%) is slightly stronger than a suggested Sinn Féin vote of 9%.

Social Themes

It is no surprise that farmers are increasingly progressive on social and moral themes. A majority who expressed an opinion indicated that they would favour same sex marriage; 46% were in favour and 41% against. Indeed, a substantial majority are in favour in every age group up to 54, with an evenly balanced opinion between 55 and 64, and a majority opposed only over the age of 65.

Most farmers are in favour of recognition of pre-nuptial agreements, underscoring a worry that many farmers ex-

perience in relation to division of family farms on separation or marital breakdown.

A majority of farmers have been touched by suicide among their local community (37%) or in their immediate or wider family group (16%). When we look at this by age group, we see that 20% of all farmers aged 35 to 54 have had familial connection with suicide. Clearly, the ramifications of this are significant for both society and for the farming community.

While it is no surprise that most farmers would prefer

“We see that 20% of all farmers between the ages of 35 and 54 have had familial connection with suicide”

power lines to go underground, regardless of cost, it was of note that the vast bulk of farmers believe Ireland's immigration policy is too lax.

What is remarkable in this regard is that there is almost no difference in attitude when

we study the results by gender or indeed by age group among farmers. Ordinarily, we would expect a softer response from younger respondents and among women.

Law and Order

Finally, some questions in relation to law and order were included in the 2014 farmers poll. It is interesting to note that the majority of farmers indicate that they feel safe in their own homes. Notably, however, older and female members of the farming community indicated that they feel slightly less safe in their homes. Nonetheless, half of all farmers indicate that Gardai are doing a good job policing rural Ireland, whereas just 40% disagree.

Turning to the issue of the potential introduction of a death penalty for the rape of a child, we see that 46% are in favour, whereas just 44% are opposed. This issue hangs in the balance, but this may merely reflect that it has not been subject to wide public debate as yet.

It was interesting to note in the survey that a majority of farmers disagree that there is a visible presence of gardai on rural roads, but it is difficult to know whether this relates to criticism of a low level of visible policing, or perhaps approval of the less vigilant monitoring of rural speeds and the operation of speed cameras.



ICMSA President John Comer at the National Ploughing Championships with his copy of the *Irish Examiner's* coverage of the 2014 Irish Examiner ICMSA Farming Survey. Picture: Dan Linehan

Majority favour a €50,000 SFP cap

Ray Ryan

Almost two out of three farmers (62%) say a cap of €50,000 should be applied to the Single Farm Payment.

In the Irish Examiner ICMSA farming survey, they were asked, "To what extent do you agree or disagree that a cap of €50,000 per farm should be applied to the Single Farm Payment?"

A total of 46% "strongly agreed", while 16% "agreed"; 10% neither agreed or disagreed, with 20% saying they slightly disagreed, and 9% strongly disagreed.

The lowest agreement was among tillage farmers (59%) and dairy farmers (57%). Agreement was 64% among livestock farmers, and 68% among "other" farmers.

In the 55-64 age bracket, 71% agreed; but opinion sharply diverged for other age groups — only 48% of 35-44 year olds agreed that a cap of €50,000 per farm should be applied to the Single Farm Payment. Locations with the highest percentages in favour were Dunganarvan (73%), Tullamore (68%), and Athenry (65%); but agreement was only about 50% at Tinahely and Cappa-

more, and the Irish Holstein Friesian Association National Open Day in Co Leitrim.

The single farm payment was one of the three main income sources for 82% of the 582 farmers interviewed this year for the survey. It is the No 1 source for 10% (compared to 14% last year), and No 2 for 45% (56% last year).

Data from the Department of Agriculture, Food and the Marine indicates that more than 123,000 farms receive about €1.2 billion in Single Farm Payments.

The survey findings reflect the latest National Farm Survey details published by Teagasc, which highlight the reliance of thousands of farmers on direct payments.

Teagasc stated that on average, total direct payments per farm were €19,474 in 2013 (this includes the Single Farm Payment, the Disadvantaged Area Scheme, the Rural Environmental Protection Scheme, the newer Agri-Environmental Scheme, and the Sheep Grassland payment).

Cattle rearing farms are the most reliant on the single farm payment.

In 2013, it was 104% of their income.

Tillage farms have the highest Single Farm Payment, receiving on average €26,426.

In 2013, the SFP comprised 80% of income on tillage farms, while direct payments in total accounted for 92% of average tillage farm income.

Direct payments comprise on average 77% of total farm income across all farms. Market income (income before the receipt of direct payments) averaged only €5,963.

Survey respondents were much more undecided on whether off-farm income limits should be applied to all farm schemes.

Not surprisingly, 55% of farmers who said they earn off-farm income said No; only 34% said Yes.

More than half of the over-55s also said No, in contrast to only 32% of those aged 35-44.

But there was no inclination one way or the other overall among the 582 survey interviewees, with 23% strongly agreeing that "Off farm income limits should be applied to all farm schemes", 22% agreeing, 15% neither agreeing nor disagreeing, 24% slightly disagreeing, and 26% strongly disagreeing.

Live exports paramount, say beef farmers

Ray Ryan

Increased live cattle exports were said by most farmers in the Irish Examiner ICMSA farming survey to be the best way to improve their prospects in the beef industry.

Since February, livestock farmers have been protesting, at retail outlets and meat plants, against falling incomes, which they blame on price and carcass-specification cuts for weight and age.

An impressive 60% of the 582 farmers interviewed pointed to the live export trade to boost their industry.

In contrast, only one out of five interviewees thought investigating competition between meat processors was the way to improve the prospects of Irish beef farmers.

They were asked to rank the importance of live exports, competition investigation, changes to the QPS grid, or farmers' technical expertise.

Abolishing or completely overhauling the Quality Payment System was considered the most important change by only 12% of farmers.

The survey indicated how at odds farmers are with beef processors. Improved technical expertise of beef farmers was deemed the most important change by only 7% of farmers. However, Meat Industry Ireland (MI), representing beef processors, recently pointed to lack of efficiency gains as one of the main reasons for disappointing beef farmer profitability.

Elsewhere in the survey, beef farmers' income difficulties were clearly reflected in responses to a question about beef industry prospects.

Just one in three farmers was optimistic about the future of beef farming.

Nearly half said beef farming was "not that secure" or "not at all secure"; 18% had no view, when asked, "Has beef farming in Ireland a secure future or not?"

Only 9% of all respondents were very secure about the future of the beef industry; 25% said they were quite secure.

The 56 tillage farmers interviewed appeared to be marginally the most optimistic about beef, at 43%, but only 30% of livestock farmers — 322 were asked — were optimistic.

Some 30% of the farmers said the beef farming sector in Ireland is "not that secure"; 18% said "not at all secure".

The findings that one third of all respondents believe the future of beef is secure, but that half feel it is not, indicates an intriguing breakdown of attitudes among farmers.

But one of the strongest findings was the belief by 60% of farmers that live exporting was the best hope for the beef sector. Live exports up to July were 14% higher than in 2013. But potential to grow the live trade to the UK is constrained by buying specifications operated by the British retail chains, which militate against cattle born in this country and exported live for finishing and processing in the UK.

Farm leaders have been campaigning to have these labelling 'roadblocks' removed, in the hope that increased trade will boost cattle prices.

Earlier this year, Agriculture Minister Simon Coveney said that EU mandatory labelling rules prevent final retailers from describing beef products from animals born in Ireland, but exported live for finishing and processing in Britain, as British or Irish.

The labelling has to state the country of birth as Ireland, the country of rearing as Ireland, and the country of slaughter as the UK, and Mr Coveney said this is regarded as difficult to communicate to consumers and likely to cause unnecessary labelling complications.

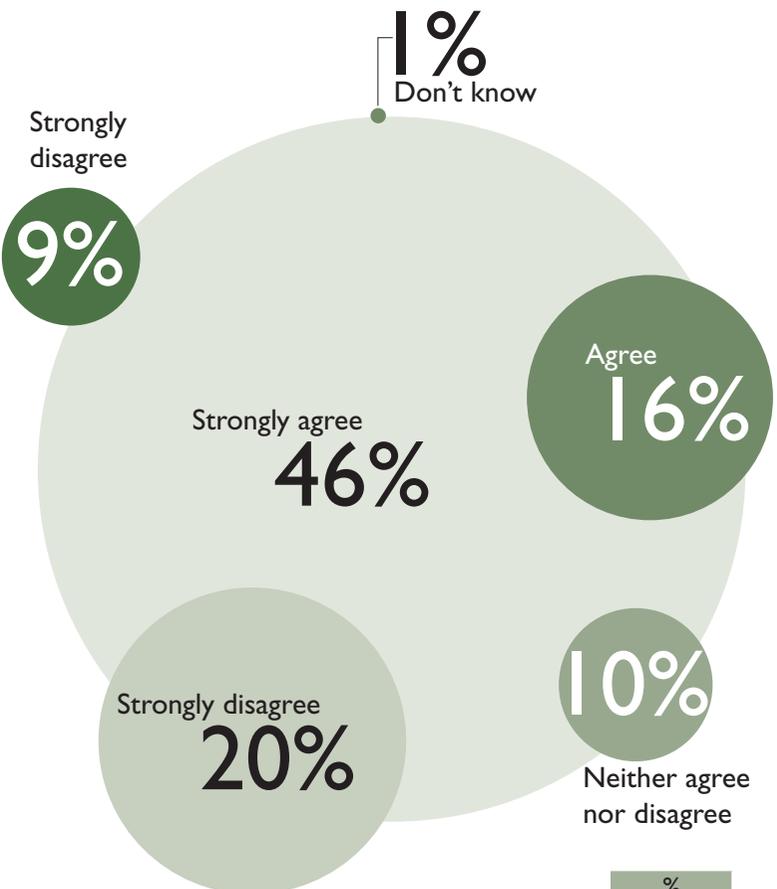
Mr Coveney said that British retailers preferred beef to be sourced from animals that originated in one country only, and to market British and Irish beef separately.

This has particularly led to a reduction in demand from Northern processors for animals born in the Republic.

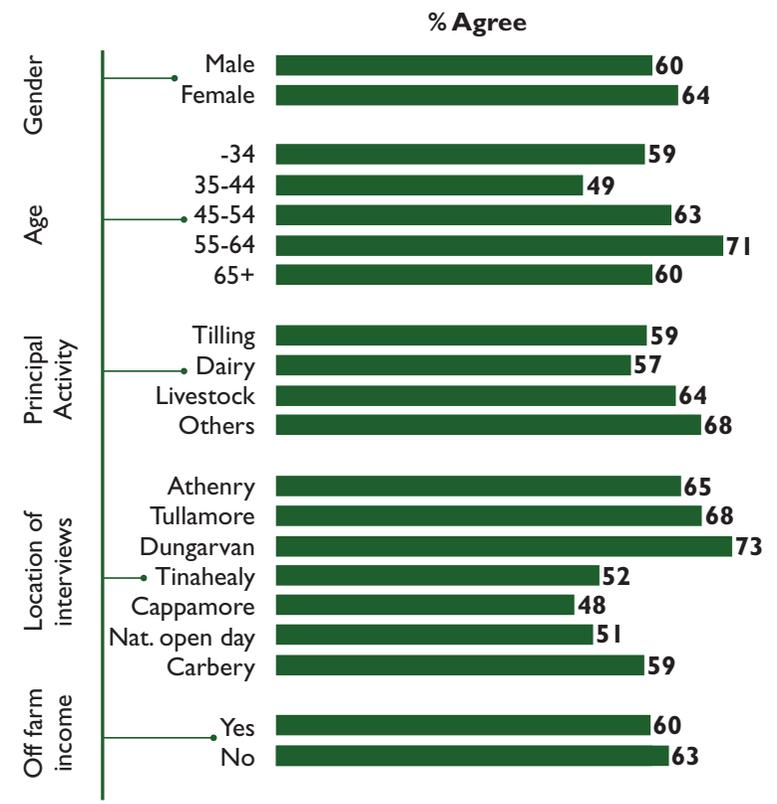
Agriculture Minister Coveney and his counterpart in the North, Minister Michelle O'Neill, discussed this difficulty recently.

Mr Coveney said that in the case of meat from animals exported live from the Republic, for slaughter in Northern Ireland, there was a strong case for marketing it in Britain on an equal footing with beef born, reared and slaughtered in the Republic.

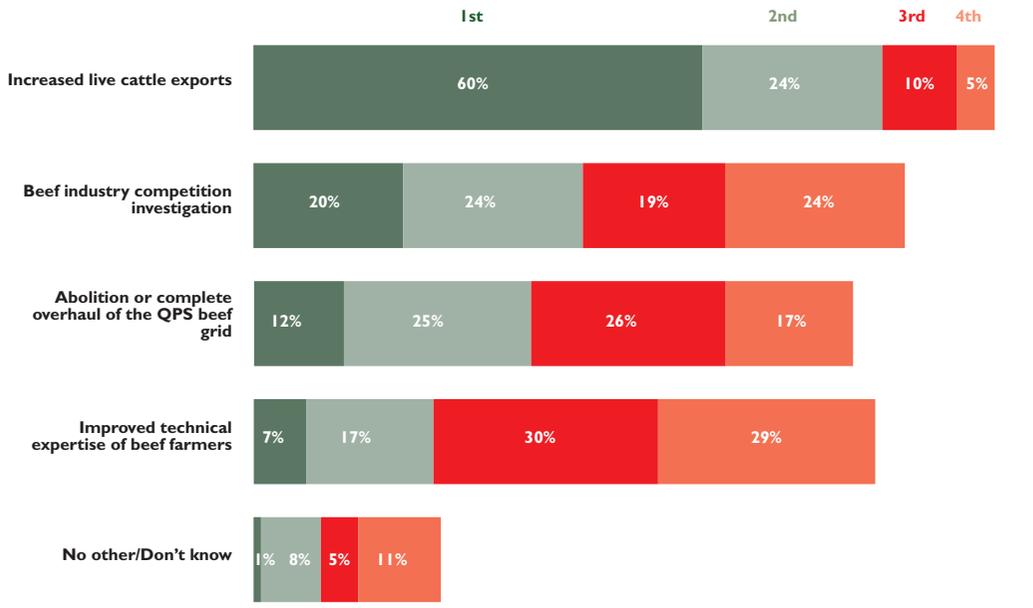
To what extent you agree or disagree that a cap of €50,000 per farm should be applied to the single farm payment?



	%
Any agree	62
Any disagree	10



What might improve the prospects of Irish beef farmers?



582 surveyed at summer shows

Stephen Cadogan

The 2014 Irish Examiner ICMSA farming survey took place at seven venues during the summer, conducted by the Behaviour & Attitudes market research company.

At the Athenry Agricultural Show in Co Galway, 103 interviews were conducted. At Carbery Show in Skibbereen, Co Cork, the survey questions were put to 75 respondents.

The survey moved next to the Dungarvan Agricultural Show in Co Waterford, with 73 interviews, followed by the Tinahely Agricultural Show in Co Wicklow, where 61 participated. At the main agricultural show of the summer, in Tullamore, Co Offaly, 151 respondents were interviewed, followed by 84 at the Cappamore Agricultural Show in Co Limerick.

The final event chosen for surveying was the Irish Holstein Friesian Association National Open Day, in Carrigallen, Co Leitrim, where 35 took part. This was a new location this year for the survey.

The 582 respondents around the country included 455 men and 114 women. They were chosen at random at each event. Respondents were required to work or live on a



farm (about 80% are farmers in their own right).

A higher incidence of farmers with larger acreage were interviewed this year (74% with 50 plus acres in 2014, versus 61% in 2013).

The average size was 108 acres in 2013, 118 acres in 2014.

The average number of livestock was 86 in 2013, 90 in 2014.

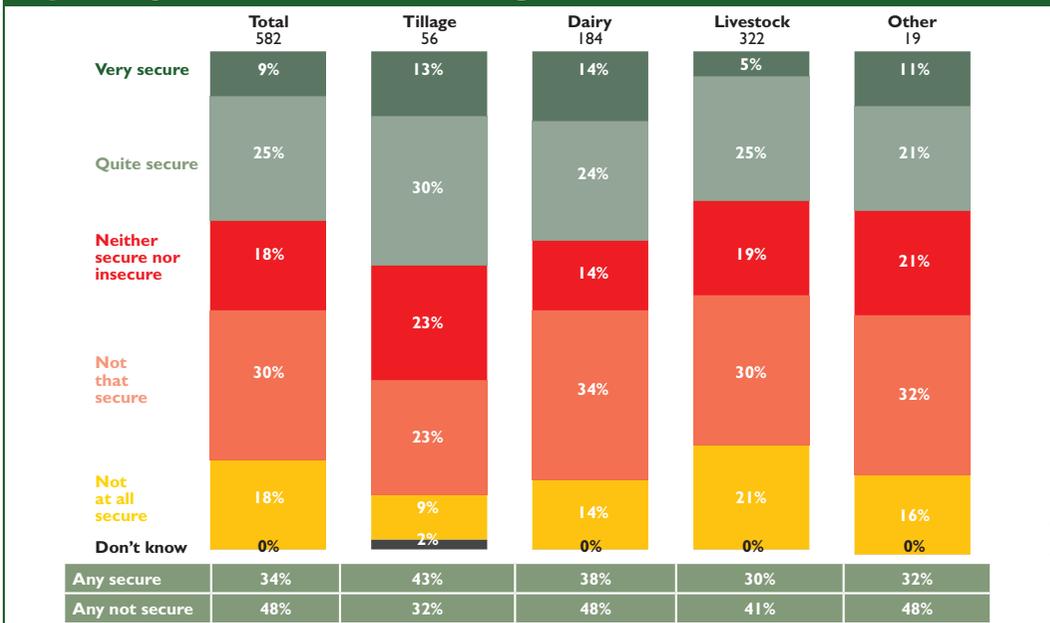
There is a higher incidence of dairy farmers in the survey this year. Milk production is the main activity for 32%, compared to 22% last year.

This year, 28% of farmers work off the farm, as do 26% of farmers' spouses (versus 23% and 21% last year).

The age breakdown of survey respondents is 16% under 35, 17% aged 35-44, 15% aged 45-49, 14% aged 50-54, 23% aged 55-64, and 15% aged 65 plus.

Status is single for 22%, married for 72%, cohabiting for 3%, widowed for 3%, separated or divorced for 1%, 33% have children under 15.

In your opinion, has beef farming in Ireland a secure future or not?



Irish Examiner Graphics

Who pays the farmer's wages?

Social welfare is one of the three main sources of income for 12% of respondents in the Irish Examiner ICMSA farming survey — up from 9% last year.

But only 2% say it is the main income source, compared to 4% last year.

As well as the usual social welfare payments for job-seekers, families, carers, the disabled, retired and older people, widows and widowers, etc, farmers have access to the

Rural Social Scheme and Farm Assist Scheme.

Farming is the No 1 income source for 63%, investments or off-farm work for 17%, the single farm payment for 10%.

Further breakdown of the results reveals farming is the No 1 source of income for 88% of dairy farmers, 47% of beef farmers, and 63% of tillage farmers.

It is No 1 for only 42% of farmers who have an off-farm income source.

The 184 farmers for whom milk production is their principal enterprise were asked in the Irish Examiner ICMSA farming survey how much they intend to change their milk output, if at all, after milk quotas are being abolished in 2015. One in three anticipated no change up to 2020, but nearly half of the farmers anticipate a growth of 10-30%.

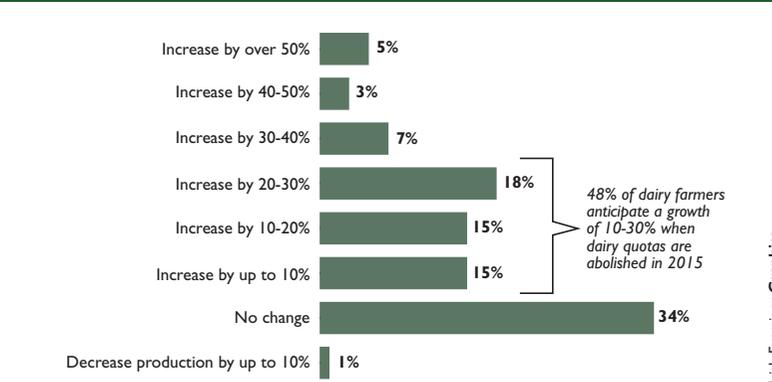
In detail, 15% expect up to 10% extra milk; 15% expect 10-20% extra milk; and 18% expect 20-30% extra milk.

Those with big plans to increase milk output by more than 50% constituted 5% of the sample, 3% expect 40-50% extra milk; and 7% expect 30-40% extra milk.

In a related part of the survey, the 391 non-dairy farmers were asked would they consider going into dairy after milk quotas are abolished in 2015. Only 1% responded "Don't know"; 93% said No, and only 6% said Yes (they were equally divided between livestock and tillage).

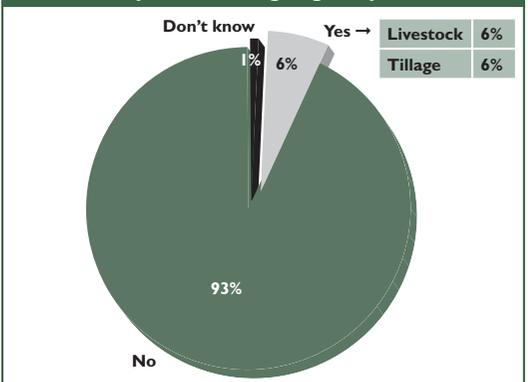
Only 5% have big milk plans

Dairy quotas are being abolished in 2015, milk production may grow 50% by 2020. In light of this, by how much would you intend to change your output, if at all?



Irish Examiner Graphics

Dairy quotas are being abolished in 2015, milk production may grow 50% by 2020. In light of this, would you consider going dairy or not?



It's different for part-timers

Stephen Cadogan

The 2014 Irish Examiner ICMSA Farming Survey illustrates how it can be for a farmer to earn some income away from the land.

Those who have some off-farm earnings have different outlook.

To a major extent, these "part-time" farmers are much more independent of the swings and roundabouts in far and food markets which can leave them on with seesawing incomes, or financial losses in some years.

Asked where the greatest source of their income is, only 42% of "part-timers" in the survey said that it comes from

farming — compared to 80% of "full-time" farmers.

And 31% of "part-timers" said off-farm work, or investments, provide most of their income. This income source is No 1 for only 3% of "full-time" farmers.

"Part-time" farmers — if defined as those where the farm holder or the spouse has off-farm employment declined from a peak of 59% in 2006 to a low of 50% in 2012, according to Teagasc's annual National Farm Survey.

And in 2013, the proportion of farms with holder or spouse with an off-farm job increased slightly, to 51%, which may reflect the increase in employment in the wider economy,

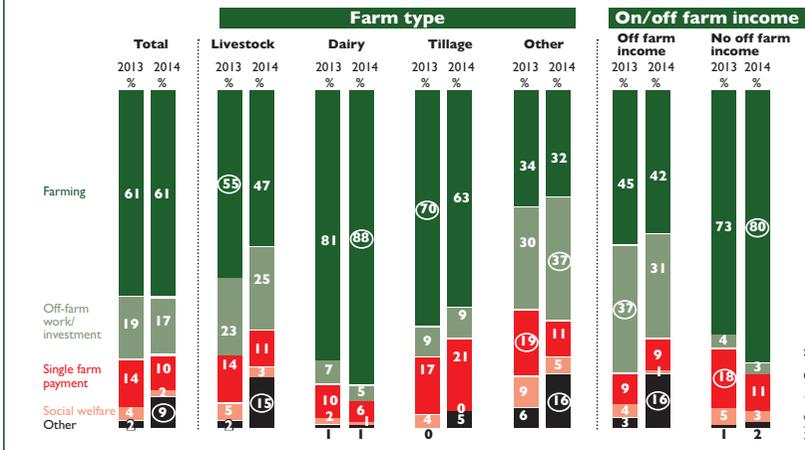
confirmed by the Central Statistics Office and other sources.

Excluding spouses, the number of farmers employed off-farm also increased, from 28% in 2012 to 29% in 2013, according to the Teagasc National Farm Survey.

However, part-time farmers pay for their relative independence with long working hours.

Previous surveys have indicated they may work about hours per week on average, split nearly half and half between their farms and off-farm work. This compares with 64 hours per week for dairy farmers, according to other Teagasc survey data.

Greatest source of income



Poll reveals reduction in farmer optimism

Larry Ryan

It is evident initially that the sample of farmers interviewed this year seems slightly more affluent than was apparent a year ago, with marginally bigger holdings, slightly more animals, and fewer classified as small farmers.

Nonetheless, this assessment would disguise a slight hesitancy about the future, with broadly lower optimism overall than had been apparent in 2013.

However, what is starkly apparent in the current year is that any disimprovement in sentiment is primarily attributable to farmers involved in cattle, and to a slightly lesser extent, those with an involvement in tillage.

A return to live cattle exports is suggested by many as a prerequisite for the stabilisation of the beef sector, although the prospects of this actually occurring are unknown.

By contrast, in dairy, there is substantial optimism, with many intending to increase production, but nonetheless, few being attracted into the sector from outside.

About half of all farmers now have some form of off-farm income, and the majority also rely on the single farm payment as an essential element of their annual earnings.

Bearing these points in mind and, in light of the substantial volatility in relative optimism by sector from year to year, it is apparent to me as an outsider that farming remains challenging, and can't be considered a safe bet financially.

Farmers have always been a highly politicised group, but it is interesting to see the rising focus on non-farm related issues as important issues that would influence their votes.

In particular, we note an escalating prioritisation of healthcare costs as a factor of concern to farmers.

The big issues are changing for farmers, says **Larry Ryan**, Director, of the Behaviour & Attitudes market research company, which carried out the 2014 Irish Examiner ICMSA Farming Survey

It is noteworthy that this is occurring in a time when many are being forced to give up or scale back their private health insurance.

The other substantial change in political focus is a notable growth in the perceived importance of law and order in the current survey.

Despite this, however, there is reasonable positivity about the quality of policing, although it is noteworthy that older members of the community and women are somewhat more uncertain these days about feeling safe in their own homes.

Political support still sits quite firmly behind Fine Gael, but with a slight rise in support for both Fianna Fáil and Sinn Féin in the 2014 survey.

Nonetheless, Micheál Martin remains more popular as a leader than does Fianna Fáil itself, and indeed the same is true of Gerry Adams, albeit at a considerably lower level.

Ultimately, farmers seem broadly supportive of both Fine Gael and Enda Kenny, with limited evidence of any substantial shift in allegiances.

Reflecting other polls, there is indeed evidence of underlying support for austerity programmes, most particularly among those who are doing better generally.

As we start to emerge from the gloom of the recession, more people are now appreciative that the right medicine seems to have been taken.

Whether the coalition parties will benefit from this shift remains to be seen but, for now, Fine Gael should be happy with farmers' perspectives, we imagine.



PLOUGHING ON REGARDLESS: President Michael D Higgins with horses Bud and Michael during his visit to the Under 40 horse class at this week's National Ploughing Championships at Ratheniska, Co Laois. But farmers are more hesitant about the future this year, with broadly lower optimism overall than in 2013, according to the 2014 Irish Examiner ICMSA Farming Survey. Picture Dan Linehan

The 2014 study also asked some interesting questions around social themes, and illustrated that most members of the farming community are supportive of the concept of same-sex marriage, although a majority of elderly farmers would dissent in this regard.

There is strong endorsement of pre-nuptial agreements, non-traditional as this may seem, and ultimately farmers seem to be guided by a desire to maintain the status quo situation in relation to farm ownership.

The study also highlighted a surprisingly reactionary perspective in relation to immigrant communities.

The vast majority in the farming community feel that current policies are too lax, and it was surprising to see that this view was almost universally held, irrespective of gender and age.

This may relate to the perceived decentralisation of 'the immigrant problem', perhaps, with more new arrivals being reportedly housed away from the main cities and towns.

If there is a growing issue, it must be one which is less apparent to city dwellers like me.

On a bleak note, it is shocking to see how broad the experience of suicide has been, with many in the farming

community having been directly impacted.

Let us hope that this diminishing as the economy improves, although it is simplistic to think that the solution may just be economic.

The publication of this study may help to focus more attention on the phenomenon, which is always important in helping to identify those who may be at risk.

As a detached observer, this study proves that farming is a complex area, and indeed one with no great degree of predictability, despite State and EU supports.

Despite this, there is considerable optimism in certain

sectors of the community, and evidence of a strong entrepreneurial drive among younger farmers in particular.

The community is evidently more open-minded than it may have been in the past, and this is surely to the benefit of all.

It is also worth noting that our interviewees found the respondents they talked to across the various agricultural shows to be in very good spirits generally, and indeed much less guarded or cautious in their views than members of the farming community were once considered to be.

Thanks to all respondents for their time and their views.

Only 6% were refused credit in the past year

Ray Ryan

Most farmers who have been looking for loans from the financial institutions and agricultural merchants in the past year reported good news in the Irish Examiner ICMSA farming survey.

Only 6% of those queried reported that their applications for credit were refused in the last 12 months.

Farmers estimate that achieving Food Harvest 2020 growth targets will require huge investment on farms, including €1.5bn by dairy farmers alone.

The same survey question was asked last year.

"Have you been refused credit in the past year?"

And if yes, by whom?"

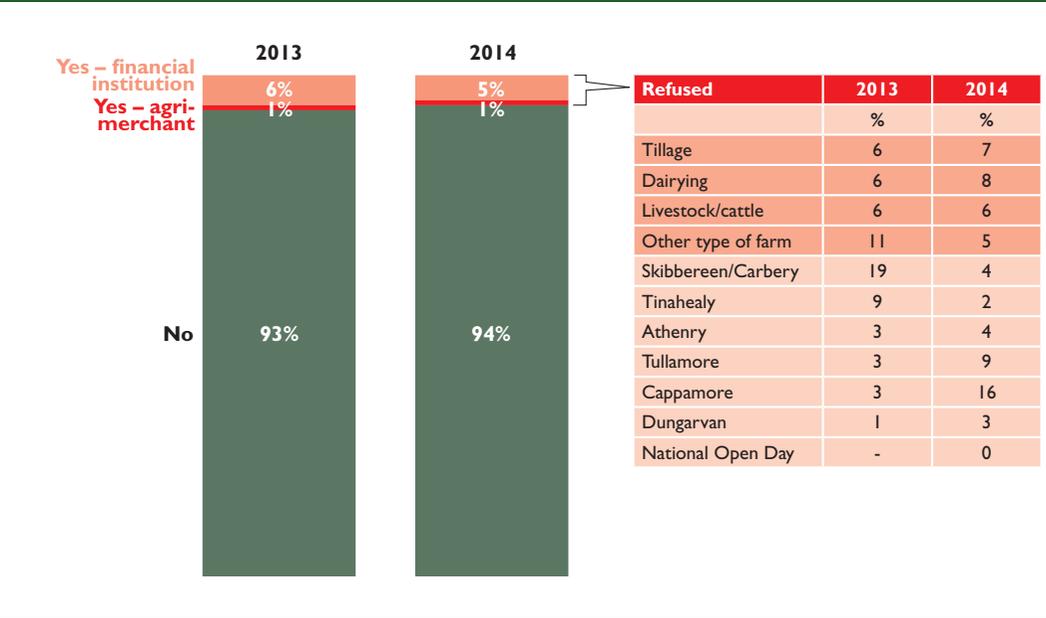
In 2013, 19% of farmers interviewed at the Carbery Show in Skibbereen, West Cork, stated that their application for finance had been turned down.

But this year there was a dramatic change in the sample of farmers interviewed at the same show, with just 4% saying they had failed in their request for credit.

However, the experience of farmers at Cappamore Show in Co Limerick was the direct opposite, with 16% reporting a credit application refusal compared with 3% in 2013.

Farmers attending the country's biggest one-day show, at Tullamore, also

Have you been refused credit in the past year and if so by whom?



reported a hike in credit refusals over the previous year – they rose from 3% to 16%.

A breakdown of the farm

enterprises of those refused credit reveals an interesting focus, compared with 2013. Tillage accounted for 7% of refusals (up 1% from last year),

dairying 6% (up 2%), livestock 6% (no change), other types of farming 11% (down 6%).

Minister of State Tom Hayes recently said he was pleased

the main commercial banks had initiated a number of specific agri-food funds, and that the take-up to date had been very positive.

75% in cattle

The average farmer interviewed in 2014 had a slightly larger holding and indeed more livestock than those interviewed in 2013.

In other regards, the sample structure is very similar to that seen last year.

Slightly more have involvement in dairy in 2014, with a growth by six percentage points, to one in three.

The greatest number (three out of four) continue to be involved in livestock or cattle.

As before, farmers in cattle production are more likely to have smaller holdings while those involved in dairy tend to have more sizeable farms.

In the 2014 survey, 28% of farmers have a second job, off the farm (which confirms Teagasc survey data), and this is more common for those involved in livestock or in more peripheral types of farming.

Few farmers in tillage or dairying have a second job.

Two thirds of farmers (63%) indicate that their primary source of income is farming, but more than four out of five farmers also avail of the single farm payment (82%).

Four in ten continue to derive income from off farm work or investments.

Poll points to problems in land market

Stephen Cadogan

It is perhaps symptomatic of Ireland's relatively frozen farming structure that most respondents this year and last year in the Irish Examiner ICMSA farming survey don't foresee significant change in their holdings.

However, dairy farmers have now replaced tillage farmers as the cohort who would most like to increase the size of their farms.

Like last year, about 60% of farmers anticipate no change.

Of the others, buying (16%) or renting (12%) are the most

likely outcomes expected in the next five years.

Within these two categories, there is a jump from 27% to 39% among dairy farmers.

Those aged 35-54 are the most likely to want to expand their farms, with 48% of this age category most likely to buy or rent land in the next five years.

However, no-one in the survey indicated they might sell, and only 2% mentioned renting out their land as a likely outcome.

Only 1% thought they are likely to take part in share farming or partnerships.

Partnerships are one of the structured collaborative which can facilitate agricultural expansion, succession planning, and farm progression — but uptake is low due to CAP reform, lack of information and awareness, and land title security concerns.

With quota abolition due next year, there are significant opportunities for farmers, and initiatives such

as partnerships, shared farming and long-term leasing are key in providing these opportunities.

Currently, 40,000 farmers are in conacre arrangements, while only a little over 6,000 are in a long-term lease, which is better for farm development.

Land immobility in Ireland is attributed to many older farmers not having a successor identified, late

transfers to the next generation, the CAP payments system, and lack of information and advice.

Last year's national study on land mobility and succession commissioned by Macra na Feirme revealed that 48% of farmers aged over 50 had not identified a farming successor.

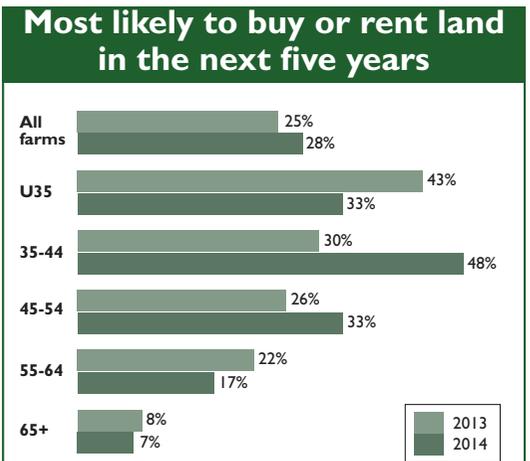
Macra intends to encourage greater land mobility, and has set up a land mobility brokerage service to encourage ar-

rangements tailored to suit any specific farming situation.

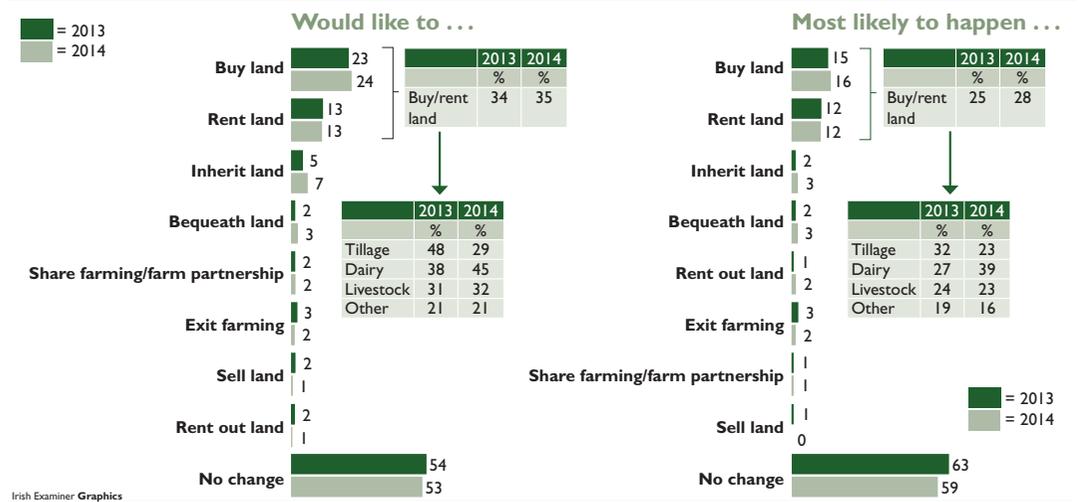
Arrangements can be within or outside the family, or a combination of both.

The aim is to encourage more viable young farmers while improving the circumstances of older farmers and landowners.

However, the survey results reveal the challenge facing them.

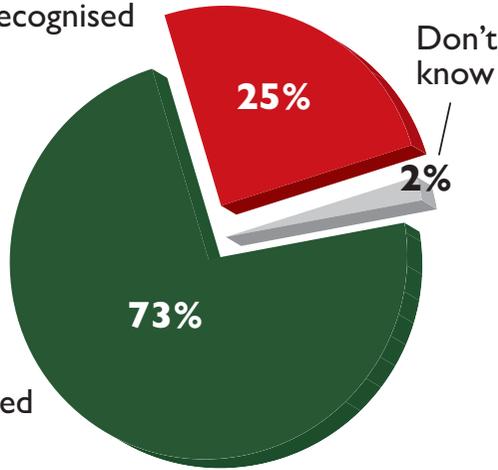


Which of the following would you like to do in the future? Any others? Which of these are you most likely to do in the next five years? (Factual)



Do you think that pre-nuptial agreements should be recognised under Irish Law?

No – pre-nuptials shouldn't be recognised



Yes – pre-nuptials should be recognised

	Agree	Disagree
	%	%
All	73	25
Men	71	26
Women	79	21
U35	78	18
35-44	74	25
45-54	78	20
55-64	70	28
65+	61	38



Pre-nups are not just for celebrities

Stephen Cadogan

Just like celebrity couple Kanye West and Kim Kardashian, farmers want pre-nuptial agreements.

In the Irish Examiner ICMSA farming survey, 73% of the 582 who took part in the survey said pre-nuptials should be recognised.

A pre-nuptial agreement is essentially a formal agreement which sets out how a couple would divide their assets if they decide to divorce in the future.

However, such agreements are not recognised under Irish law at present.

The survey question was "Do you think that such pre-nuptial agreements should be recognised under Irish law or not?"

Only 25% said pre-nuptials shouldn't be recognised, and there were 2% "don't knows".

The survey results show that even older and male respondents are in favour of pre-nuptial agreements.

The result points to the worry that many farmers experience in relation to divi-

sion of family farms on separation or marital breakdown, and their desire to maintain the status quo situation in relation to farm ownership — even if it requires a pre-nuptial agreement, non-traditional though this may seem, and alien to Irish rural life.

The broken down survey results show that pre-nuptial agreement is favoured by 71% of men, 79% of women, 78% of under 35s, 74% of the 35-44 age group, 78% of the 45-54 age group, 70% of the 55-64 age group, and 61% of the over 65s.

Like Kim Kardashian and Kanye West, farmers contemplating marriage want predictability upon entering an institution that is often unpredictable.

As the average age of parties entering into first-time marriages continues to rise, people tend to have more wealth accumulated.

People have more assets of their own before they get married, which they do not want to risk losing, if they end up getting divorced.

Often, one party has taken over or inherited the family

business or farm, which has been in the family generations, prior to getting married.

Pre-nuptial agreements, though unromantic, can eliminate disputes at the time of divorce, if the marriage ultimately fails.

The agreement can serve as a snap-shot inventory of assets and debts owned or incurred by each spouse prior to marriage, can convey interest in property between the parties, or dictate that neither spouse will acquire an interest in each other's property.

It may also be helpful for those married previously, who want to ensure that any assets built up over the years are safeguarded for any existing children's inheritance.

Any asset, big or small, can be included in a pre-nuptial agreement — savings, property, income or even pensions, which could otherwise be split in the event of a divorce.

Only financial matters can be dealt with within the agreement. It cannot be used to make arrangements for any children.



Kanye West and Kim Kardashian: just like the celebrity couple, farmers want pre-nuptial agreements..

Pre-nuptial agreements used by most couples can be as straightforward as stating that the property owned by each party prior to marriage (or civil partnership), will remain theirs, should the relationship end. They can also set out how property acquired during the relationship should be treated.

The good news for those who favour pre-nuptial agreements is that it is worthwhile getting one — even though it is not recognised under Irish law at present.

In a divorce, the court will still more often than not take it into consideration, when deciding how marital assets should be divided.

Each case will depend on its own facts and circumstances — there is nothing stopping the court taking a well drafted pre-nuptial agreement into account, in the event of a divorce.

And it may not always be the case that prenuptial agreements are not recognised in Ireland.

Farmers believe that Irish economic recovery is under way

Almost seven in ten in the Irish Examiner ICMSA farming survey believe that economic recovery is under way, and the majority feel this will help their family, and will make the next generation better off.

However, there is a slight reduction in overall optimism about the future of farming, al-

though the vast majority (69%) remain positive. The reduction is primarily among those involved in livestock and tillage. Dairy farmers are as positive as they had been before.

When focussing on individual sectors, 84% of dairy farmers are optimistic about their sector, but t enthusiasm in livestock

and tillage have reduced to 53% and 66% respectively.

A third of farmers (35%) would like to buy or rent land, although just 28% anticipate that this is in fact likely to happen. Optimism to expand is most in evidence among those involved in dairying. 45% of those involved in dairying would like to

buy or rent land and 39% believe that they will actually do this. Optimism to expand is most in evidence among farmers aged 35 to 54.

With the abolition of milk quotas, two thirds of farmers believe that their output will increase, with up to half of dairy farmers indicating that it will grow be-

tween 10 and 30%. 15% of dairy farmers believe that it will grow by an amount greater than 30% But only about 6% of farmers not currently involved in dairy believe they will be enticed into the sector after the abolition of quotas.

A third of all farmers believe that the future of beef farming is

secure (but almost half feel that it is not.) In particular those involved in dairying tend to be more negative about beef and indeed just 3 in 10 of those involved in livestock feel that the future for beef is secure. An increase in live cattle exports is anticipated as likely to be good for the beef sector.